

CITY COUNCIL PROCEEDINGS

NOVEMBER 16, 2004

MINUTES OF THE MEETING OF THE CITY COUNCIL

Wichita, Kansas, November 16, 2004
Tuesday, 9:08 A.M.

The City Council met in regular session with Mayor Mayans in the Chair. Council Members Brewer, Fearey, Gray, Lambke, Martz, Schlapp; present.

George Kolb, City Manager; Gary Rebenstorf, Director of Law; Karen Sublett, City Clerk; present.

Rita Robel, Great Plains Institute, gave the invocation.

The pledge of allegiance to the flag was participated in by the Council Members, Staff, and Guests.

The Minutes of the November 9, 2004, Meeting were approved 7 to 0.

AWARDS AND PROCLAMATIONS:

RECOGNITION

Recognition of Citizens Academy Graduates.

PUBLIC AGENDA

Thomas Wimberly-Memorial to Pat Tillman.
(Mr. Wimberly was not present)

CONSENT AGENDA

Council Member Brewer Council Member Brewer requested that Items 10 and 13 be pulled from the agenda for discussion.

Motion-- Mayans moved that the Consent Agenda, except Items 10 and 13, be approved as consensus Items.
--carried Motion carried 7 to 0.

BOARD OF BIDS

REPORT OF THE BOARD OF BIDS AND CONTRACTS DATED NOVEMBER 15, 2004.

Bids were opened November 12, 2004, pursuant to advertisements published on:

PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION: Sewers, Paving and Water Mains as per specifications.

9th Street Bridge at Westlink Ditch (south of 13th Street North, west of Tyler) (87N-0340-01/472-84021/448-90010/715702/636139/244118/774534) Traffic is to be maintained on Westlink during construction using flagpersons and barricades. (District V)

Klaver Construction - \$229,070.00

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 177

2004 Sanitary Sewer Reconstruction, Phase 13 (various locations between 13th Street North & Pawnee, and between Meridian & Oliver) (468-83927/620420 /664540) Traffic to be maintained during construction using flagpersons and barricades. (Districts I,III,IV)

Graber Backhoe - \$227,458.00

Florence from the north line of Esthner Avenue to the south line of Bounous Street to serve Burnham Industrial Addition and Von Feldt Industrial Addition (west of West Street, south of Harry) (472-84020/765877/490988) Traffic to be maintained during construction using flagpersons and barricades. (District V)

Cornejo & Sons Construction - \$94,933.50 (Negotiated to Engineer's Estimate)

Motion--

Mayans moved that the contract(s) be awarded as outlined above, subject to check, same being the lowest and best bid within the Engineer's construction estimate, and the and the necessary signatures be authorized. Motion carried 7 to 0.

--carried

PARK & RECREATION DEPARTMENT/RECREATION DIVISION: Construct Shelter, Sidewalk & Parking.

Cornejo & Sons Construction - \$26,044.50 (Group 1 Base Bid)
\$6,844.50 (Group 1/Option 1)

WATER & SEWER DEPARTMENT/WATER DISTRIBUTION DIVISION: Custom Setters, Monitor over, Meter Box.

Heartland Waterworks Supply - \$12,137.60 (Group 1 Total Net Bid)
National Waterworks - \$928.40 (Group 2 Total Net Bid)

PARK DEPARTMENT/FORESTRY & LANDSCAPE DIVISION: Ornamental and Shade Trees.

John Deere Landscapes - \$5,640.00 (Group 1 Total Net Bid)
\$6,176.10 (Group 2 Total Net Bid)
Borst Nursery & Garden Center - \$1,078.50 (Group 3 Total Net Bid)
Valley Tree Farm - \$1,315.00 (Group 4 Total Net Bid)
Brady Nursery - \$4,750.00 (Group 5 Total Net Bid)
Borst Nursery & Garden Center - \$3,497.50 (Group 6 Total Net Bid)
\$2,825.00 (Group 7 Total Net Bid)
Brady Nursery Inc. - \$1,760.00 (Group 8 Total Net Bid)
Borst Nursery & Garden Center - \$3,462.50 (Group 9 Total Net Bid)
\$2,997.50 (Group 10 Total Net Bid)
John Deere Landscapes - \$5,892.50 (Group 11 Total Net Bid)
Valley Tree Farm - \$1,485.00 (Group 12 Total Net Bid)
Borst Nursery & Garden Center - \$2,878.00 (Group 13 Total Net Bid)
\$ 729.50 (Group 14 Total Net Bid)
John Deere Landscapes - \$3,825.00 (Group 15 Total Net Bid)
Borst Nursery & Garden Center - \$6,995.00 (Group 16 Total Net Bid)
Valley Tree Farm - \$1,855.00 (Group 17 Total Net Bid)
Borst Nursery & Garden Center - \$1,998.75 (Group 18 Total Net Bid)
\$7,325.00 (Group 19 Total Net Bid)
\$ 789.50 (Group 20 Total Net Bid)
Valley Tree Farm - \$3,262.50 (Group 21 Total Net Bid)
\$1,957.50 (Group 22 Total Net Bid)
\$1,945.50 (Group 23 Total Net Bid)
John Deer Landscapes - \$5,048.80 (Group 24 Total Net Bid)
\$1,734.00 (Group 25 Total Net Bid)
Valley Tree Farm - \$1,485.00 (Group 26 Total Net Bid)
John Deere Landscapes - \$3,901.20 (Group 27 Total Net Bid)

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 178

Valley Tree Farm - \$3,247.50 (Group 28 Total Net Bid)
\$3,712.50 (Group 29 Total Net Bid)
\$1,681.25 (Group 30 Total Net Bid)
\$3,710.00 (Group 31 Total Net Bid)
\$3,710.00 (Group 32 Total Net Bid)
No Bids - (Group 33)
Loma Vista Nursery Inc. - \$2,999.50 (Group 34 Total Net Bid)
\$2,999.50 (Group 35 Total Net Bid)
John Deere Landscapes - \$1,002.80 (Group 36 Total Net Bid)
\$2,065.50 (Group 37 Total Net Bid)
Brady Nursery Inc. - \$4,250.00 (Group 38 Total Net Bid)
Borst Nursery & Garden Center - \$2,625.00 (Group 39 Total Net Bid)
Loma Vista Nursery Inc. - \$3,450.00 (Group 40 Total Net Bid)
Borst Nursery & Garden Center - \$6,350.00 (Group 41 Total Net Bid)
Valley Tree Farm - \$3,237.50 (Group 42 Total Net Bid)
John Deere Landscapes - \$746.30 (Group 43 Total Net Bid)
\$1,481.10 (Group 44 Total Net Bid)

WATER & SEWER DEPARTMENT/PRODUCTION & PUMPING DIVISION: Electrical Materials.

Kriz Davis Co. -\$54,637.91 (Group 1 Total Net Base Bid)
\$ 580.00 (Group 1/Option 1)
\$ 253.30 (Group 1/Option 2)
\$ 1,354.84 (Group 1/Option 4)
\$1,287.00 (Group 1/Option 5)
\$ 1,828.02 (Group 1/Option 6)

PUBLIC WORKS DEPARTMENT/STREET MAINTENANCE DIVISION: New Holland Tractor.

Wichita Tractor Co. - \$10,765.00 (Group 1 Total Net Bid)

PUBLIC WORKS DEPARTMENT/STREET MAINTENANCE DIVISION: Aluminum Construction Signs.

Vulcan Signs - \$34,803.18 (Group 1 Total Net Bid)

WATER & SEWER DEPARTMENT/SEWAGE TREATMENT DIVISION: Integrator to Upgrade Scada System.

R E Pedrotti Company, Inc. - \$127,350.00 (Group 1 Total Net Bid)

Motion--
--carried

Mayans moved that the contract(s) be awarded as outlined above, same being the lowest and best bid, and the necessary signatures be authorized. Motion carried 7 to 0.

CMB's

APPLICATIONS FOR LICENSES TO RETAIL CEREAL MALT BEVERAGES:

<u>Renewal</u>	<u>2004</u>	<u>(Consumption off Premises)</u>
Jayanti B. Patel	M&V Petroleum Inc. dba Food Mart #255	1400 North Market #A
Jayanti B. Patel	M&V Petroleum Inc. dba Food Mart #210	10723 West Kellogg
John J. Leeker	Checkers K-15	1915 East Pawnee
<u>Renewal</u>	<u>2004</u>	<u>(Consumption on Premises)</u>

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 179

Carmen Rosales Connie's Mexico Café* 2227 North Broadway

*General/Restaurant - 50% or more of gross receipts derived from sale of food.

Motion--
--carried

Mayans moved that the licenses, subject to Staff review and approval, be approved. Motion carried 7 to 0.

PRELIMINARY EST. PRELIMINARY ESTIMATES:

- a) 2004 Sanitary Sewer Rehabilitation, Phase G - various locations between Tyler & Webb, and between 29th Street North & Pawnee. (468-83924/620419/664539) Traffic to be maintained during construction using flagpersons and barricades. (Districts I,II,III,V) - \$244,000
- b) Water line to serve Murdock from Arapaho to east of Boyd to serve West Central Gardens, West Central Gardens 3rd, and Avery Additions - north of Central, east of Hoover. (448-89946/735201/470871) Traffic to be maintained during construction using flagpersons and barricades. (District VI) - \$42,840
- c) Water Distribution System to serve Southern Ridge Second Addition - south of Pawnee, west of Maize. (448-90008/735219/470889) Does not affect existing traffic. (District IV) - \$99,000
- d) Lateral 16 Northwest Interceptor Sewer to serve Liberty Park Third Addition - south of 13th Street North, east of 135th Street West. (468-83854/744075/480763) Does not affect existing traffic. (District V) - \$67,000
- e) Lateral 6, Main 5 Northwest Interceptor Sewer to serve Copper Gate Estates Addition - south of 13th Street North, west of 135th Street West. (468-83534/744082/480770) Does not affect existing traffic. (District V) - \$287,000
- f) Lateral 38, Cowskin Interceptor Sewer to serve Highland Springs Third Addition - south of Central, west of 135th Street West. (468-83635/744078/480766) Does not affect existing traffic. (District V) - \$229,000
- g) Lateral 13, Main 14 Southwest Interceptor Sewer to serve Burnham and Von Feldt Industrial Additions - south of Harry, west of West Street. (468-83772/744041/480729) Traffic to be maintained during construction using flagpersons and barricades. (District V) - \$99,000
- h) Rock Road from 21st Street North to 29th Street North, Phase 2: Landscaping (472-83889/706874/240340) Traffic to be maintained during construction using flagpersons and barricades. (District II) - \$54,190
- i) Main 17 Four Mile Creek Sewer, Phase 1 to serve Crestview Country Club - east of 127th Street East, south of 13th Street North. (468-83903/624078/652532) Traffic to be maintained during construction using flagpersons and barricades. (District II) - \$4,000,000

Motion--carried

Mayans moved that the Preliminary Estimates be received and filed. Motion carried 7 to 0.

DEEDS/EASEMENTS DEEDS AND EASEMENTS:

- a) Dedication for street purposes dated October 15, 2004 from Integrated Healthcare Systems INC. for a tract of located in Reserve "A", Wichita Clinic Addition, an addition to Wichita, Sedgwick County, Kansas (OCA 607879). No Cost to City
- b) Sanitary Sewer Easement dated October 29, 2004 from Mark M. & Lydia G. Haralson for a tract of land located on Lot 29, Evergreen Place Addition, Wichita, and Sedgwick County, Kansas (OCA# 744061). No Cost to City

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 180

Motion--carried

Mayans moved that the Deeds and Easements be accepted. Motion carried 7 to 0.

COST STATEMENTS STATEMENTS OF COST AND PARTIAL STATEMENTS OF COST:

- a) Park Swimming Pool Improvements 2003. Total Cost - \$99,019.64 (Plus idle fund interest - \$758.02; less gain from sale of investments - \$172.19; less financing previously issued - \$95,000). Financing to be issued at this time - \$4,605.4 (785038/393-170).
- b) (Fourth Partial) Estimate of Cost for improving Grove Park Phase I Master Plan 2000- \$165,000; less financing previously issued - \$155,000. Financing to be issued at this time - \$10,000 (785008/390-140).
- c) (Third Partial) Estimate of Cost for improving Park Facilities Renovations 2003- \$392,000; less financing previously issued - \$360,000. Financing to be issued at this time - \$32,000. (785037/393-169)
- d. (Third Partial) Estimate of Cost for constructing the Adult Soccer Fields 2003- \$288,000; less financing previously issued - \$274,100. Financing to be issued at this time - \$13,900. (785039/393-171)
- e) (First Partial) Estimate of Cost for improving Swimming Pool Improvements 2004- \$16,000; less financing previously issued - \$0. Financing to be issued at this time - \$16,000. (785040/394-172)
- f) (Second Partial) Estimate of Cost for improving Park Athletic Courts, Parking Lots, Entry Drives and Lighting 2004- \$218,000; less financing previously issued - \$28,000. Financing to be issued at this time - \$200,000 (785041/394-173).
- g) (Second Partial) Estimate of Cost for improving Park Facilities Renovations 2004- \$200,000; less financing previously issued - \$65,000. Financing to be issued at this time - \$135,000 (785042/394-174)
- h) Pawnee, Rock to Webb. Total Cost - \$2,087,467.40; (less idle fund interest - \$907.76, - plus temporary note financing - \$10,281.42; less KDOT reimbursements - \$1,437,468.06; less financing previously issued - \$0; less interfund transfers - \$630,000.00). Financing to be issued - \$29,373.00. (706782/472-83087/200-239).
- i) Hydraulic, MacArthur to 63rd Street South (Design). Total Cost - \$435,000.00; (less idle fund interest - \$18,010.00; plus temporary note financing - \$0, less interfund transfers - \$126,000.00, less financing previously issued - \$250,000.00). Financing to be issued at this time - \$40,990.00. (706780/472-83140/200-263).
- j) Hydraulic, 57th Street South to MacArthur. Total Cost - \$4,841,164.26; (plus idle fund interest - \$33,392.34; plus temporary note financing - \$2,400.40; less interfund transfers - \$3,551,670.00; less financing previously issued - \$1,075,000.00). Financing to be issued at this time - \$250,287.00. (706810/472-83324/201-275).
- k) 21st Street North from Hillside to Oliver. Total Cost - \$1,354,720.68; (plus idle fund interest - \$1,986.14; less KDOT reimbursements - \$892,010.68; less interfund transfers - \$158,000.00; plus temporary note financing - \$9,220.86, less financing previously issued - \$300,000.00). Financing to be issued at this time - \$15,917.00. (706823/472-83368/201-289).
- l) Hillside from Kellogg to Central (Right-of-Way). Total Cost - \$500,000.00; (plus idle fund interest - \$3,080.00; plus temporary note financing - \$0; less interfund transfers - \$349,000.00; less financing previously issued - \$151,000.00). Financing to be issued at this time - \$3,080.00. (706834/472-83453/202-300).

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 181

- m) Central, Tyler to Woodchuck. Total Cost - \$508,299.76; (plus idle fund interest - \$4,863.49; \$498,000.00). Financing to be issued at this time - \$15,334.00. (706835/472-83192/202-301).
- n) Hillside, 17th to 20th Street. Total Cost – \$1,578,802.89; (plus idle fund interest - \$8,881.00; plus temporary note financing - \$0; less interfund transfers - \$950,000.00; less financing previously issued - \$575,000.00). Financing to be issued at this time - \$62,684.00. (706842/472-83537/202-308).
- o) Rock Road from 21st Street North to 29th Street North (Design). Total Cost - \$116,125.24; (plus idle fund interest - \$732.76; plus temporary note financing - \$0; less financing from interfund transfers - \$66,000.00; less financing previously issued - \$30,000.00). Financing to be issued at this time - \$20,858.00. (706844/472-83539/202-310).
- p) Pawnee from Washington to Hydraulic (Design). Total Cost \$23,000.00; (plus idle fund interest - \$26.00; plus temporary note financing - \$0; less interfund transfers - \$0; less financing previously issued - \$23,000.00). Financing to be issued at this time - \$26.00. (706845/472-83540/202-311).
- q) Douglas Avenue from Seneca to McLean Blvd. Total Cost \$2,943,111.13; (plus idle fund interest - \$5,569.87; plus temporary note financing - \$0; less interfund transfers - \$310,000.00; less financing previously issued - \$2,550,000.00). Financing to be issued this time - \$88,681.00. (706846/472-83608/202-312).
- r) Woodlawn, Central to 13th Street (Design). Total Cost \$64,910.93; (plus idle fund interest - \$243.07; plus temporary note financing - \$0; less interfund transfers - \$0; less financing previously issued - \$63,000.00). Financing to be issued at this time - \$2,154.00. (706857/472-83758/203-323).
- s) Intersection of 29th Street North and Oliver (Design). Total Cost \$5,174.10; (plus idle fund interest - \$50.90; plus temporary note financing - \$0; less interfund transfers - \$0; less financing previously issued - \$0). Financing to be issued at this time, \$5,225.00. (706886/472-83983/204-352).
- t) Intersection of 37th Street North and Rock Road (Design). Total Cost \$5,174.10; (plus idle fund interest - \$50.90; plus temporary note interest - \$0; less interfund transfers - \$0; less financing previously issued - \$0). Financing to be issued at this time, \$5,225.00. (706887/472-83984/204-353).
- u) Intersection of 21st Street at 127th Street East (Design). Total Cost \$4,999.00; (plus idle fund interest - \$42.00; plus temporary note interest - \$0; less interfund transfers - \$0; less financing previously issued - \$0). Financing to be issued at this time, \$5,041.00. (706888/472-83985/204-354).
- v) Seneca from Maple to McLean (Construction). Total Cost \$2,784,970.90; (plus idle fund interest - \$33,820.10; plus temporary note interest - \$0; less interfund transfers - \$225,000.00; less financing previously issued - \$2,500,000.00). Financing to be issued at this time, \$93,791.00. (706747/472-82966/208-228).
- w) This Item intentionally left blank.
- x) Mt. Vernon Bridge at Dry Creek (Design). Total Cost \$13,018.01; (plus idle fund interest - \$6.99; plus temporary note interest - \$0; less interfund transfers \$0; less financing previously issued - \$10,000.00). Financing to be issued at this time, \$3,025.00. (715689/472-83514/242-105).
- y) Kellogg and West Street Landscaping. Total Cost \$908,870.85; (plus idle fund interest - \$118.80; plus temporary note interest - \$0; less KDOT reimbursements - \$690,310.12; less interfund transfers - \$212,261.53; less financing previously issued - \$0). Financing to be issued at this time, \$6,418.00. (701227/400-910).

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 182

- z) Gypsum Creek Bikepath (Cessna Park to Turnpike Drive). Total Cost \$455,356.74; (less idle fund interest - \$5,627.23; plus temporary note interest - \$0; less KDOT reimbursements - \$326,147.51; less interfund transfers - \$0; less financing previously issued - \$116,000.00). Financing to be issued at this time, \$7,582.00. (706267/472-82654/405-180).
- aa) I-235 Landscaping (13th Street North to Broadway). Total Cost \$283,854.20; (less idle fund interest - \$9,974.47; plus temporary note interest - \$3,250.22; less KDOT reimbursements - \$220,662.95; less interfund transfers - \$0; less financing previously issued - \$50,000.00). Financing to be issued at this time, \$6,467.00. (706358/472-82674/405-189).
- bb) Douglas Avenue Bridge over the Arkansas River. Total Cost \$7,023,624.63; (plus idle fund interest - \$69,853.31; plus temporary note interest - \$0; less KDOT reimbursements - \$2,799,417.94; less interfund transfers - \$0; less financing previously issued - \$4,100,000.00). Financing to be issued at this time, \$194,060.00. (715482/472-82721/415-062).
- cc) (First Partial) Estimate of Cost for improving Pedestrian Bridge over Wichita Valley Center Floodway at Zoo Boulevard - \$66,900; less financing previously issued - \$0. Financing to be issued at this time - \$69,900. (706833/472-83874/202-299).
- dd) (Second Partial) Estimate of Cost for 21st Street Bikepath, Ridge to Maize Road - \$421,000; less KDOT reimbursements - \$300,340, less financing previously issued - \$50,000. Financing to be issued at this time - \$70,660. (706843/472-83532/202-309).
- ee) (Third Partial) Estimate of Cost for Harry, Oliver to Woodlawn - \$1,592,000; less KDOT reimbursements - \$1,164,000; less financing previously issued - \$83,000. Financing to be issued at this time - \$345,000. (706852/472-83685/203-318).
- ff) (Second Partial) Estimate of Cost for improving Meridian, 31st Street South to Pawnee (Design) - \$53,000; less financing previously issued - \$22,000. Financing to be issued at this time - \$31,000. (706854/472-83756/203-320).
- gg) (Second Partial) Estimate of Cost for improving 29th, Tyler Road to Ridge Road (Design) - \$61,000; less financing previously issued - \$20,000. Financing to be issued at this time - \$41,000. (706856/472-83751/203-322).
- hh) (First Partial) Estimate of Cost for improving 29th, ½ mile west of Maize Road to Maize Road (Design) - \$13,000; less financing previously issued - \$0. Financing to be issued at this time - \$13,000. (706858/472-83752/203-324).
- ii) (Second Partial) Estimate of Cost for Intersection of Tyler and Yosemite - \$25,000; less financing previously issued - \$15,000. Financing to be issued at this time - \$10,500. (706859/472-83757/203-325).
- jj) (Second Partial) Estimate of Cost for improving Main, Douglas to Murdock - \$1,016,000; less financing previously issued - \$16,000. Financing to be issued at this time - \$1,000,000. (706864/472-83811/203-330).
- kk) (First Partial) Estimate of Cost for improving McCormick Realignment - \$113,000; less financing previously issued - \$0. Financing to be issued at this time - \$113,000. (706866/472-83831/203-332).
- ll) (Second Partial) Estimate of Cost for Intersection of Harry and McLean - \$594,000; less KDOT reimbursements - \$444,000; less financing previously issued - \$25,000. Financing to be issued at this time - \$125,000. (706865/472-83781/204-331).
- mm) (Second Partial) Estimate of Cost for 29th Street, Maize to Tyler Road - \$100,000; less financing previously issued - \$25,000. Financing to be issued at this time - \$75,000. (706868/472-83863/204-334).

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 183

- nn) (Second Partial) Estimate of Cost for Pawnee, Washington to Hydraulic - \$139,900; less financing previously issued - \$13,000. Financing to be issued at this time - \$126,900. (706869/472-83858/204-335).
- oo) (First Partial) Estimate of Cost for improving Central, Woodlawn and Rock Road - \$14,000; less financing previously issued - \$0. Financing to be issued at this time - \$14,000. (706872/472-83874/204-338).
- pp) (Second Partial) Estimate of Cost for Rock Road, 21st to 29th Street - \$1,799,000; less KDOT reimbursements - \$1,307,000; less interfund transfer - \$20,000. Financing to be issued at this time - \$472,000. (706874/472-83889/204-340).
- qq) (First Partial) Estimate of Cost for 2004 Arterial Sidewalk Program - \$310,000; less financing previously issued - \$0. Financing to be issued at this time - \$310,000. (706879/472-83966/204-345).
- rr) (First Partial) Estimate of Cost for 2004 Street Rehab Program - \$375,000; less financing previously issued - \$0. Financing to be issued at this time - \$375,000. (706881/472-83925/204-347).
- ss) (First Partial) Estimate of Cost for the Intersection of Maple and Ridge Road (Design) - \$48,500; less financing previously issued - \$0. Financing to be issued at this time - \$48,500. (706882/472-83856/204-348).
- tt) (First Partial) Estimate of Cost for Bike Path at the Trailhead in Grove Park (Design) - \$16,000; less financing previously issued - \$0. Financing to be issued at this time - \$16,000. (706883/472-84003/204-349).
- uu) (First Partial) Estimate of Cost for Bike Path along the former MOPAC/UP Railroad Tracks from the intersection of Central at Waco to the intersection of 15th Street North at Broadway (Design) - \$40,000; less financing previously issued - \$0. Financing to be issued at this time - \$40,000. (706884/472-84008/204-350).
- vv) (First Partial) Estimate of Cost for Bike Path along Gypsum Creek from I-135 Freeway to the Kansas Turnpike (Design) - \$50,000; less financing previously issued - \$0. Financing to be issued at this time - \$50,000. (706885/472-84009/204-351).
- ww) (First Partial) Estimate of Cost for improving West Street, Maple to Central (Design) - \$20,000; less financing previously issued - \$0. Financing to be issued at this time - \$20,000. (706890/472-83997/204-356).
- xx) (First Partial) Estimate of Cost for improving Pawnee, 119th to Maize (Design) - \$50,000; less financing previously issued - \$0. Financing to be issued at this time - \$50,000. (706891/472-84005/204-357).
- yy) (First Partial) Estimate of Cost for improving Seneca, I-235 to 31st (Design) - \$35,000; less financing previously issued - \$0. Financing to be issued at this time - \$35,000. (706892/472-84006/204-358).
- zz) (First Partial) Estimate of Cost for improving Pawnee, Meridian to Seneca (Design) - \$30,000; less financing previously issued - \$0. Financing to be issued at this time - \$30,000. (706893/472-84012/204-359).
- aaa) (First Partial) Estimate of Cost for improving Pawnee, Palisade to Broadway (Design) - \$20,000; less financing previously issued - \$0. Financing to be issued at this time - \$20,000. (76894/472-84013/204-360).

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 184

- bbb) (First Partial) Estimate of Cost for improving Harry, KTA to Rock Road (Design) - \$10,000; less financing previously issued - \$0. Financing to be issued at this time - \$10,000. (706897/472-83999/204-363).
- ccc) (First Partial) Estimate of Cost for improving Greenwich between 13th to K-96 (Design) - \$100,000; less financing previously issued - \$0. Financing to be issued at this time - \$100,000. (706899/472-84004/204-365).
- ddd) (First Partial) Estimate of Cost for improving 29th between 119th Street West to Maize Road (Design) - \$20,000; less financing previously issued - \$0. Financing to be issued at this time - \$20,000. (706901/472-83982/204-367).
- eee) (First Partial) Estimate of Cost for improving 21st, Oliver to Woodlawn (Design) - \$22,000; less financing previously issued - \$0. Financing to be issued at this time - \$22,000. (706902/472-84016/204-368).
- fff) (First Partial) Estimate of Cost for improving 17th, Broadway to I-135 (Design) - \$25,000; less financing previously issued - \$0. Financing to be issued at this time - \$25,000. (706903/472-84014/204-369).
- ggg) (First Partial) Estimate of Cost for improving 13th, 135th Street West to 119th Street West (Design) - \$39,000; less financing previously issued - \$0. Financing to be issued at this time - \$39,000. (706904/472-84010/204-370).
- hhh) (First Partial) Estimate of Cost for improving Dewey, Main to Broadway (Design) - \$10,000; less financing previously issued - \$0. Financing to be issued at this time - \$10,000. (706905/472-84011/204-371).
- iii) (First Partial) Estimate of Cost for improving the Intersection of Pawnee and McLean (Design) - \$10,000; less financing previously issued - \$0. Financing to be issued at this time - \$10,000. (706906/472-84007/204-372).
- jjj). (First Partial) Estimate of Cost for improving the Intersection of 17th and Hillside (Design) - \$10,000; less financing previously issued - \$0. Financing to be issued at this time - \$10,000. (706908/472-84015/204-374).
- kkk). (First Partial) Estimate of Cost for improving the Intersection of 13th and Mosley (Design) - \$20,000; less financing previously issued - \$0. Financing to be issued at this time - \$20,000. (706909/472-83995/204-375).
- lll) (Second Partial) Estimate of Cost for improving 13th Street Bridge at Cowskin (Design) - \$63,200; less financing previously issued - \$40,000. Financing to be issued at this time - \$23,200. (715989/472-83511/242-102).
- mmm) (Second Partial) Estimate of Cost for improving 21st Street Bridge at West Branch of Chisholm Creek (Design) - \$36,000; less financing previously issued - \$25,000. Financing to be issued at this time - \$11,000. (715688/472-83513/242-104).
- nnn) This Item intentionally left blank.
- ooo) (Second Partial) Estimate of Cost for improving Central Bridge at Gypsum Creek (Design) - \$10,000; less financing previously issued - \$0. Financing to be issued at this time - \$10,000. (715693/472-83748/243-109).
- ppp) (First Partial) Estimate of Cost for improving Oliver Street Bridge at Gypsum Creek (Design) - \$20,000; less financing previously issued - \$0. Financing to be issued at this time - \$20,000. (715694/472-83746/243-110).

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 185

- qqq) (Second Partial) Estimate of Cost for improving Central Bridge at Tara - \$113,500; less financing previously issued - \$90,000. Financing to be issued at this time - \$23,500. (715696/472-83801/243-112).
- rrr) (First Partial) Estimate of Cost for improving 13th Street Bridge at Cowskin Creek - \$420,000; less financing previously issued - \$0. Financing to be issued at this time - \$420,000. (715697/472-83851/243-113).
- sss) (First Partial) Estimate of Cost for improving Murdock Bridge at Little Arkansas River - \$175,000; less financing previously issued - \$0. Financing to be issued at this time - \$175,000. (715698/472-83895/244-114).
- ttt) (First Partial) Estimate of Cost for improving 21st Street Bridge at St. Francis - \$13,000; less financing previously issued - \$0. Financing to be issued at this time - \$13,000. (715699/472-83933/244-115).
- uuu) (First Partial) Estimate of Cost for improving 9th Street Bridge at Westlink Ditch - \$30,000; less financing previously issued - \$0. Financing to be issued at this time - \$30,000. (715702/472-84021/244-118).

Motion--carried

Mayans moved that the Statements of Cost be received and filed. Motion carried 7 to 0.

PETITIONS

PETITIONS FOR PAVING, SANITARY SEWER, STORM WATER DRAIN AND WATER DISTRIBUTION SYSTEM TO SERVE SAWMILL CREEK ADDITION, EAST OF ROCK, NORTH OF 45TH STREET NORTH. (DISTRICT II)

Agenda Report No. 04-1136

On December 19, 2000, the City Council approved Petitions for paving, sanitary sewer, storm water drain and water distribution system in Sawmill Creek Addition. The developer has submitted new Petitions to reflect changes to the marketing of lots within the addition. The signature on the new Petitions represents 100% of the improvement districts.

These projects will serve a new residential development located east of Rock, north of 45th Street North.

The Petitions total \$933,000. The funding source is special assessments.

State Statutes provide that a Petition is valid if signed by a majority of resident property owners or the majority of the property in the improvement district.

Motion--carried

Mayans moved that the Petitions be approved and the Resolutions adopted. Motion carried 7 to 0.

RESOLUTION NO. 04-619

Resolution of findings of advisability and Resolution authorizing construction of Water Distribution System Number 448-90022 (east of Rock, north of 45th Street North), in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

RESOLUTION NO. 04-620

Resolution of findings of advisability and Resolution authorizing construction of Storm Water Drain 156, 468-83169 (east of Rock, north of 45th Street North), in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 186

RESOLUTION NO. 04-621

Resolution of findings of advisability and Resolution authorizing construction of Lateral 2, Main 11, sanitary Sewer #23, 468-83171 (east of Rock, north of 45th Street North), in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

RESOLUTION NO. 04-622

Resolution of findings of advisability and Resolution authorizing improving Blade, from the center of Reserve E to the east line of Sawmill Creek Addition; Mill Run, from the east line of Lot 16, Block 4 to the south line of Blade; Scragg Cir., from the south line of Blade to and including the cul-de-sac; Scragg, from the north line of Blade to the east line of Sawmill Creek Addition; and Blade Ct., from the north line of Blade to and including the cul-de-sac; Sidewalk to be constructed on one side of Mill Run and Blade, (east of Rock, north of 45th Street North) 472-84123 (east of Rock, north of 45th Street North), in the City of Wichita, Kansas, pursuant to findings of advisability made by the Governing Body of the City of Wichita, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

STREET CLOSURES NATIONAL JUNIOR COLLEGE HALF MARATHON CHAMPIONSHIP, NOVEMBER 21, 2004.

Agenda Report No. 04-1137

In accordance with the Special Events Procedure, event sponsors are to notify adjacent property owners and coordinate arrangements with Staff, subject to final approval by the City Council.

The following street closure requests have been submitted:

--National Junior College Half Marathon Championship, Sunday, November 21, 7:00 am to 11:00 am
Nims Street from Stackman to Murdock
Stackman from Nims to Murdock

Police security is arranged to remove blockades as necessary to allow emergency vehicle access during entire designated time period

Motion-- Mayans moved that the City Council approve the request subject to: (1) Event sponsors notifying every property and/or business adjoining any portion of the closed street; (2) Coordination of event arrangements with City Staff; (3) Hiring off-duty public safety officers as required by the Police Department; (4) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; (5) Submitting a Certificate of Insurance evidencing general liability insurance, which covers the event and its related activities, including the naming of the City as an additional insured with respect to the event's use of the closed City streets. Motion carried 7 to 0.

--carried

FINANCIAL REPORT QUARTERLY FINANCIAL REPORT FOR THE PERIOD ENDED SEPTEMBER 30, 2004.

Motion--carried Mayans moved that the Report be received and filed.

(Agenda Item 10) CESSNA

CESSNA SUBLEASE AGREEMENT. (DISTRICT I)

Motion-- Brewer moved to defer this Item until the November 23, 2004 Consent-Workshop. Motion carried 7 to 0.

--carried

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 187

PROPERTY ACQ.

PROPERTY ACQUISITION: PORTION OF 777 WEST CENTRAL FOR THE RIVER CORRIDOR IMPROVEMENT PROJECT. (DISTRICT VI)

Agenda Report No. 04-1139

The City Council approved a land purchase for the River Corridor Improvement Project on September 14, 2004.

The purchase price negotiated by the parties and approved by the Council was \$1,525,000.

The funding source approved for the purchase was General Obligation bonds and Federal monies. A bonding resolution is required for the City to use General Obligation bonds. Due to Federal guidelines and processes regarding land acquisition, it is recommended that the entire purchase price be financed using General Obligation bonds. Using General Obligation bonds is also consistent with Council direction received at the budget workshop held on April 27, 2004.

Motion--
--carried

Mayans moved that the bonding resolution be approved and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. 04-616

A Resolution declaring the necessity for acquiring a portion of 777 West Central for the River Corridor Improvement Project, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

PROPERTY DISP.

SALE OF SURPLUS PROPERTY LOCATED AT THE SOUTHWEST CORNER OF KELLOGG AND JULIA. (DISTRICT V)

Agenda Report No. 04-1140

An offer has been received for the City-owned parcel located at the southwest corner of Kellogg and Julia. The property has approximately 14,000 square feet and is currently undeveloped. The site is zoned General Commercial. The property was acquired for the Kellogg/Dugan Interchange project. The project required about one third of the property and the removal of the improvements.

The property was offered in last years marketing program with a suggested minimum price of \$6.00 per square foot. The highest offer received during the marketing period was \$3.00 per square foot. Subsequently, the adjacent property owner has offered \$6.00 per square foot. The site has been surveyed and contains 13,842.6 square feet. Based on this size, the sale price is \$83,055.60. Because of zoning and location on Kellogg, the contract does not contain the standard restriction on car sales or billboard. The buyer intends to incorporate the parcel into its automobile rental and sale facility

The City will receive cash consideration from the sale of the property at closing. In addition, it will return to the tax rolls and the City will be relieved of maintenance costs.

Motion--
--carried

Mayans moved that the Real Estate Purchase Contracts be approved and the necessary signatures authorized. Motion carried 7 to 0.

(Agenda Item 13) GARAGE REPAIRS

CITY HALL GARAGE REPAIRS. (DISTRICT I)

Agenda Report No. 04-1141

Construction of the City Hall Parking Garage was completed in December of 1995. It consists of four levels with a parking capacity of 641 vehicles. The construction is comprised of pre-cast and pre-stressed concrete elements.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 188

In 1999 Walker Parking Consultants/Engineers, Inc. did a condition appraisal and maintenance review of the City Hall Garage. Repair and maintenance work identified in their report were completed.

As the garage is approaching ten years of age a new conditional appraisal and maintenance review is needed. The objective of the appraisal is to evaluate the existing condition of the facility to protect the useful life based on recommended maintenance that reduces premature deterioration.

A structural engineer is required to identify structural aspects such as patching, floor slab overlays, traffic topping installation, sealer application, crack repairs and expansion joint installation. Normal maintenance such as painting, cleaning, etc. will also be addressed as part of the condition appraisals recommended repairs.

The project is authorized the 2004-2013 Capital Improvement Program (CIP) (PB-340402) (Project No. 435392, OCA 792427) in the amount of \$50,000 for a condition appraisal, \$200,000 for construction for a total of \$250,000 in 2005.

- Council Member Brewer Council Member Brewer stated there seemed to be some concerns on this item regarding the garage repairs.
- George Kolb City Manager stated that this item deals with the repairs to a parking garage and that this was put on the Council's agenda in order to move forward. Stated that nothing has been done with this project, the budgeted amount is in the capital improvement fund, which is \$250,000.00. Explained that out of that amount, \$50,000.00 is for an analysis and \$200,000 is for actual repairs. Stated that they have not gone to bids, no one has been hired and that this is a request to do these things at the beginning of the project and as part of this the Council would be adopting a Resolution authorizing the expenditure of funds and the issuance of bonds to pay for it once costs are incurred for the project.
- Mayor Mayans Mayor Mayans stated that the Council has been discussing Homeland Defense and there will be alterations and remodeling, which will include the parking garage. Asked if it would be better to wait until this plan is completed to make sure that we are not moving forward on structural changes to the garage now and come back in a year or two and make additional changes.
- George Kolb City Manager stated that Staff would like authorization to move forward with the projects. Stated that Staff considers the two projects separate projects but will look at whether or not they should be combined or what portions can be combined and move forward. Stated that one issue deals with safety with respect to the structural integrity of the parking garage and it is recommended that every 10 years this type of analysis is done to make sure that we do not experience problems as we did in the mid 1990's. Stated that the other project deals with actual security of entry into the building and there possibly would be some work with connections to the garage and City Hall. Stated that Staff will not know what those are until they sit down and talk to the architect and have an engineering analysis done of the garage to see if these two projects can be combined.
- Mayor Mayans Mayor Mayans inquired why Staff is recommending hiring someone to do the inspection and coming back with a different company to do the work.
- George Kolb City Manager explained that there are engineers who are specialist in determining the stress impacts of load factors on garages and they are not necessarily also the contractors. Stated that this would be a specialty type of analysis that they are looking for and the engineer may or may not have the capacity to make the repairs, but they can engineer those and write the specifications, and make sure that a contractor who is skilled in this does the work correctly.
- Council Member Lambke Council Member Lambke stated that \$50,000 is a lot of money to inspect a building and when you allocate an amount of money for a job, you are telling all of the bidders that you are willing to pay \$50,000. Stated that he would like to see some way to do this without putting a dollar figure out there so that we might get lower bids.
- George Kolb City Manager stated that this is being discussed right now openly and is sure that everyone will get exposure to it. Stated that this is a public organization and we cannot hide our budget analysis.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 189

- Council Member Gray Council Member Gray inquired if the Council has to take this process where they authorize a spending limit before they can even go to a proposal.
- Gary Rebenstorf Director of Law explained that under the laws of the State of Kansas and the ordinances of the City, the bidding process has to be an open process and has to be approved by the Governing Body, which can only be done in an open meeting.
- Council Member Gray Council Member Gray asked if Staff could be authorized to go forth and put out an RFP without assigning a dollar amount to it.
- George Kolb City Manager explained that Staff is going to go out to bid and will not specify what the budget amount is or how much they are expecting to pay, which they never do. But in the interest of full disclosure to Council, Staff has to let them know how much was budgeted for that particular project. When they go out for actual bids there will be no indication of what they are expecting.
- Council Member Lambke Council Member Lambke asked if Staff could bring the amount to the Council after the bids are in and if a dollar amount has to be made available up front.
- George Kolb City Manager explained that what is being done today is in compliance with the Council's process for implementing capital projects and that they are following the procedure.
- Council Member Lambke Council Member Lambke stated that if the Council wishes they could change the direction of this procedure.
- Council Member Gray Council Member Gray suggested that Council not go through a formal process to change this but to have Staff put together the pros and cons to the type of policy that is in place and see if it could be improved upon instead of going through the entire process of proposing to change it. Asked that Staff review and get back with the Council regarding this issue.
- Motion-- Mayans moved that the project be approved; the Resolution adopted; Staff authorized to hire a structural engineer to perform a condition appraisal; the necessary repairs constructed and the necessary signatures authorized. Motion carried 7 to 0.
- carried

RESOLUTION NO. 04-617

A Resolution authorizing the issuance of General Obligation Bonds of the City of Wichita, Kansas to pay all or a portion of the costs of repairing the City Hall Parking Garage located at 455 North Main Street in Wichita, Sedgwick County, Kansas, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

SECTION 3 POLICY SECTION 3 POLICY AND ACTION PLAN.

Agenda Report No. 04-1142

The Housing and Urban Development Act of 1968 (the "Act") expresses Congress' intention that employment and other economic opportunities generated by HUD assistance for housing and community development, be directed to low and very low income people, to help them become self-sufficient. This expectation applies to recipients of federal funds including, but not limited to, Public Housing, Section 8, Community Development Block Grant (CDBG), HOME Investment Partnership, and McKinney-Vento Homeless Assistance Act programs such as Emergency Shelter Grant (ESG). The City of Wichita receives these funds and is therefore required to comply with Section 3 of the "Act".

The City of Wichita has developed a plan to comply with Section 3, which formalizes its compliance history with regards to Section 3. The plan is consistent with the goals of the "Act" to give preference to Section 3 residents and businesses, as defined in 24 CFR, Part 135, in hiring, training and contracting.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 190

Approval of the Section 3 Policy and Action Plan carries no financial obligation for the City.

Approval of the Section 3 Policy and Action Plan confirms the City's commitment to comply with Federal regulations.

Motion--
--carried

Mayans moved that Section 3 Policy and Action Plan and any subsequent revisions be approved. Motion carried 7 to 0.

HOMELAND SECUR. HOMELAND SECURITY GRANT FUNDING. (DISTRICTS I, II, III, IV, V, VI)

Agenda Report No. 04-1143

The Department of Homeland Security through the Office of Domestic Preparedness has established the Homeland Security Grant for state and local agencies to purchase training and equipment for preparedness, prevention, and mitigation of catastrophic events. The annual grant is currently assigned by federal legislation to a designated administrative agency in each state government for distribution on to the local communities. The administrative agency has authority over how the grant is to be distributed, when it will be distributed, how money can be spent, and in many cases whom the money can be spent through.

The City of Wichita has participated in the Homeland Security Grant process since its inception in 2002. The designated administrative agency for Kansas is the Kansas Highway Patrol. Grant funds are received by Kansas from the Office of Domestic Preparedness with the expectation that funds will be passed to the local communities within 90 days as required by federal law. The local community has just completed spending 2003 funds and the state has not yet announced when 2004 funds will be made available to local governments.

Kansas uses a local government funding formula that is determined by state employees. There is no local representation on the funding formula committee. The current funding formula provides money to all 105 Kansas counties and does not appropriately recognize the need of population centers. The Kansas Highway Patrol passes funding to the local emergency managers in the form of an electronic credit that must be used at a single source vendor previously determined by the state. The impact of this funding process includes; additional overhead when products from other companies must be purchased through a separate retail supplier; additional delays in processing purchase requests; confusion resulting from multiple layers of bureaucracy; and the inability to purchase items readily available through other vendors.

Local communities should receive Homeland Security Grant funds directly from the federal government. Direct funding will allow local communities faster access to funding, reduce overhead from additional levels of grant administration, provide greater flexibility in local community discretion on how to spend funds, and increase local community buying power through a competitive purchase process. To this end, the City of Wichita should formally recognize the need for funding to be directly provided to the local communities by adoption of a Resolution stating its position.

Motion--carried

Mayans moved that the Resolution be adopted. Motion carried 7 to 0.

RESOLUTION NO 04-618

A Resolution supporting Homeland Security Grant Funding be distributed directly to local communities, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 191

ORDINANCES

SECOND READING ORDINANCES: (FIRST READ NOVEMBER 9, 2004)

- a) Industrial Revenue Bonds, The Boeing Company. (District III)

ORDINANCE NO. 46-401

An Ordinance approving and authorizing the execution of a Lease Agreement between the Boeing Company and the City of Wichita, Kansas; approving and authorizing the execution of an Indenture of Trust between said City and the Bank of New York Trust Company, N.A.; pledging certain payments under said Lease Agreement and moneys and securities held by the trustee under the terms of said Indenture of Trust; authorizing and directing the issuance of Industrial Revenue Bonds Series VI, 2004 (The Boeing Company Project) of said City in the principal amount of \$67,000,000 for the purpose of providing funds for the acquisition, construction, reconstruction and improvement of certain industrial and manufacturing facilities of Boeing commercial airplanes, Wichita Division, a division of the Boeing Company, a Delaware Corporation, in Sedgwick County, Kansas; designating the trustee and the paying agent for said bonds; authorizing the sale of said bonds and the execution of a Bond Purchase Agreement therefore; approving and authorizing the execution of an administrative service fee agreement; and authorizing the execution and delivery of certain related instruments; an ordinance approving and authorizing the execution of a master amendment to lease agreements between the Boeing Company and the City of Wichita, Kansas, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 5 to 0. Yeas, Fearey, Gray, Lambke, Martz, Schlapp. (Brewer and Mayans abstained)

- b) ZON2004-00049 - generally located southwest of Seneca and Patterson. (District IV)

ORDINANCE NO. 46-402

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans. ZON 2004-00049

- c) PUD2004-03-Amendment #1 to PUD #12 - generally located one-fourth mile south of Harry on the southwest corner of Triple Crown Court and Triple Crown Street, 1777 S. Triple Crown St. (District II)

ORDINANCE NO. 46-403

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans. PUD2004-03/PUD#12

- d) ZON2004-00050 - generally located west of Amidon and 34th Street North. (District VI)

ORDINANCE NO. 46-404

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans. ZON 2004-00050

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 192

e) DR2004-0004 - generally located east of Washington Street, west of Hydraulic Street, north of Murdock/8th Street and south of 17th Street North. (District I)

ORDINANCE NO. 46-405

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210, read for the second time. Mayans moved that the Ordinance be placed upon its passage and adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans. DR2004-0004

NEW BUSINESS

PILOT PROJECT

EXTENDED SPECIAL ASSESSMENTS FINANCING PILOT PROJECT.

Terry Cassady

Development Assistance Director reviewed the Item.

Agenda Report No. 04-1144

In 2003, the Wichita Area Builders Association (WABA) requested the City Council consider extending the bond terms for special assessment debt from its current fifteen (15) years to twenty (20) years, matching a proposed change in the collection of special assessments from property owners. The goal of WABA was an extension of the term to lower monthly/annual special assessment payments especially for entry-level subdivisions with unique and extraordinary development costs and as incentives for existing neighborhoods without standard municipal improvements (i.e. paving, water/sewer, storm sewers, etc.).

The City Council approved a one-year extended special assessment pilot project at its November 18, 2003 meeting. The project is being returned to the Council for action.

Applications submitted for the extended 20-year special assessment financing project have been reviewed by a permanent committee appointed by the City Council. The committee includes two City Council members, City Staff, and representatives of the development community.

During the past 12 months, the City has approved four applications for 20-year special assessment financing: three of those were for new subdivisions and one was for an infill project. The Hoover infill paving project #472-83530 assessments were spread on a square foot rather than a fractional basis. That is why there is great variation in the assessments.) Of the three new home subdivision projects, projects 468-83588 (sewer lateral) and 448-89785 (water line) were for Woodland Lakes and project 448-89825 (water line) was for Ridgeport. Based on these projects, monthly savings for the property owners in these two subdivisions vary between \$1.66 and \$6.10. The difference between interest payments for 15 vs. 20-year assessments over the additional five-year life of the assessments is an additional \$260 to \$945 in interest for these projects.

In addition to the applications that were approved, five applications not meeting the criteria were submitted for another new home subdivision. All applications submitted for consideration are thoroughly evaluated by Staff for compliance with the requirements prior to submitting the applications to the review committee for its approval or denial. The five applications not meeting the criteria were rejected due to various factors including incorrect prices listed for homes in the subdivision, the amount of outstanding specials didn't exceed the threshold established to determine when properties are considered to be market-compromised due to higher than typical special assessments, and submittal of mixed-use applications (commercial and residential) when the pilot project approved by the Council is for residential subdivisions only. The time spent evaluating these particular applications resulted in a disproportionate amount of Staff time being spent in order to determine whether or not the project met the initial submittal criteria and was appropriate for review by the committee.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 193

In an effort to avoid this type of situation from occurring in the future and to improve the quality of applications submitted, Staff recommends that a fee be incorporated into the process. The recommendation is that there be no charge for the first application, but that a re-application fee of \$1,000 be attached to subsequent submittals of the same application if such is necessitated due to errors or incorrect information being provided by the developer or his consulting engineer. The fee would be required to be submitted at the time of the re-application.

Since January 1, 2004, there has been one bond sale that included 20-year projects. The bonds for the 20-year special assessments sold higher than those for 15-year special assessments. The 20-year interest was 4.43877% whereas the interest for the 15-year bonds was 4.02101%.

Staff believes that the number of applications received in the past year hasn't generated enough data from which to determine whether or not to continue the program. Realistically, three to five years will be necessary to fully evaluate the data and determine if the project is increasing entry level home sales. Staff recommends that the pilot project be extended to provide time for more applications to be received so that additional data can be gathered, a trend line developed and a thorough analysis of the program can be completed for the Council. It typically takes three to five years for a subdivision to be built and the homes sold. Therefore, it is difficult to ascertain the total monthly special assessment costs for a subdivision's infrastructure projects until all of the projects (water/sewer, storm sewer and paving) have been built and the statement of costs certified.

Special assessment debt is a component of City General Obligation debt repaid by taxing specific benefit districts. Special assessment debt (meeting the criteria) will be spread over 20 years to property owners and will be payable at the same time as property taxes. The effect of extending the term will increase the aggregate amount of debt (new debt will be added faster than old debt will be retired) and, as can be seen from the most recent bond sale, will increase the interest cost to both property owners and the City of Wichita (longer maturity debt typically carries a higher interest rate).

K.S.A. 12-6a10 permits the issuance of special assessment bonds for a 20-year period. The governing body has the authority to permit the issuance of 20-year bonds and may establish a policy establishing criteria for determining when such bonds shall be issued.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard.

Wes Galyon

President of the Wichita Area Builders Association stated that they support Staff's recommendation to extend the 20-year special assessment financing option for developers who have projects that qualify for another year. Stated that they believe it will prove to be very beneficial over time in terms of their mutually supporting home ownership opportunities throughout the greater Wichita area, especially for entry-level buyers.

Motion--

Mayans moved that the 20-year special assessment project be extended for one year with the incorporation of a \$1,000 fee for re-submittal of applications due to errors or incorrect information on the part of the developer or his consulting engineer. Motion carried 7 to 0.

--carried

(Addendum 17a.)

EAST BANK REDEV.

PUBLIC HEARING ON EXPANSION OF THE EAST BANK REDEVELOPMENT DISTRICT (DISTRICTS I AND IV)

Allen Bell

Director of Economic Development reviewed the Item.

Agenda Report No. 04-1160

On September 21, 2004, the City Council took several actions needed to facilitate the recruitment by WaterWalk LLC of a national destination retailer, Gander Mountain, Inc., to serve as the anchor retail tenant in the WaterWalk Redevelopment Project. Included in the actions taken was the adoption of a resolution setting November 16, 2004 as the date for a public hearing on the expansion of the East Bank Redevelopment District to include the River Corridor Project area. Pursuant to state law, copies of the resolution were sent by certified mail to all owners and occupants of property in the proposed expansion

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 194

area, as well as to the Board of Sedgwick County Commissioners and the USD 259 Board of Education. The resolution was also published in the City's official newspaper on November 4, 2004.

The addition of the River Corridor Project area to the East Bank Redevelopment District is needed in order to permit the use of Sales Tax and Revenue (STAR) Bonds as part of the overall plan of financing for the WaterWalk Project. The Gander Mountain portion of the WaterWalk project includes the City financing a portion of the cost to construct the Gander Mountain building.

The improvements included in the River Corridor Project are eligible for STAR Bond financing, while construction of buildings owned by or leased to private entities are not. By using STAR Bonds to finance a portion of the River Corridor Project, the general obligation funding for that project in the approved Capital Improvement Program (CIP) could then be reprogrammed for use in the WaterWalk Project. This reprogramming was one of the actions taken by the City Council on September 21, 2004.

State law governing the use of STAR bonds requires that improvements financed by STAR bonds must be located within an established redevelopment district. State law also allows property to be added to established redevelopment districts by following a prescribed procedure that includes giving notice as described in the preceding section, holding a public hearing and adopting an ordinance that adds the property to the redevelopment district.

The area proposed to be added to the East Bank Redevelopment District is generally bounded by Douglas Avenue on the south, Waco Street on the east, Greenway Boulevard and Central Avenue on the north, and McLean Boulevard on the west, plus an approximately five-acre parcel located at the southwest corner of Maple Street and McLean Boulevard.

The total amount of the Gander Mountain portion of the WaterWalk Project to be financed by STAR Bonds is \$7,000,000. An additional \$1,000,000 will be used to finance public art in the WaterWalk Project area. On September 21, 2004, the City Council approved bonding resolutions to reflect the combined WaterWalk and River Corridor projects and their respective expenditure authority.

The Law Department has drafted the ordinance authorizing the addition of property to the redevelopment district in conformance with state law. A simple majority vote is needed to adopt the ordinance. Copies of the adopted ordinance will be forwarded to the County Clerk, County Treasurer and County Appraiser following publication.

Mayor Mayans Mayor Mayans stated that the reason that the Council had to make the changes to the river corridor is because of the inability of the Legislature to accommodate our project when other projects across the state were being constructed with Star Bonds and Wichita was denied that opportunity. Stated that a suggestion was made by the Staff in Topeka that this is another way to do this to continue our project.

Mayor Mayans Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion-- Brewer moved that the public hearing be closed; the ordinance authorizing the addition of the River Corridor Project area to the East Bank Redevelopment District be placed on first reading and approve a
--carried substantial change to the District Plan. Motion carried 5 to 2, (Nays-Martz and Lambke).

ORDINANCE

An Ordinance of the City of Wichita adding an area to the East Bank Redevelopment District and making a substantial change to the District Plan, introduced and under the rules laid over.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 195

(Addendum 17b) URBAN RENEWAL

URBAN RENEWAL NOTICE OF INTENT TO LEASE LAND

Allen Bell

Director of Economic Development reviewed the Item.

Agenda Report No. 04-1159

The City of Wichita has entered into a development agreement with WaterWalk LLC for the redevelopment of a portion of the East Bank Redevelopment District. The development agreement and the adopted redevelopment plan call for the City to lease certain parcels of land in the East Bank Redevelopment District to WaterWalk LLC and for WaterWalk LLC to construct various commercial buildings thereon. The first such parcel to be leased to WaterWalk LLC is the Destination Retailer Building Site, identified as Parcel A on the approved Revised WaterWalk Master Plan. WaterWalk LLC intends to construct an 80,000 square foot commercial building on this site and lease it to Gander Mountain, a national outdoor sports outfitter.

In the late 1960s, the area of downtown Wichita now known as the East Bank Redevelopment District was designated as an urban renewal area. State laws pertaining to urban renewal require public notice to be given prior to disposition of land included in an urban renewal area. Staff intends to give such notice, pursuant to law, prior to returning to the City Council on December **21**, 2004 for approval of the lease for the Gander Mountain site.

The law requires that a notice stating the City's intent to dispose of the urban renewal land be published twice on consecutive weeks in the City's official newspaper. The law also requires the City Council be notified of the intent to lease the land at least 30 days prior to the execution of the lease. Based on this, the earliest the Gander Mountain site lease may be executed will be December 16, 2004.

The published notice will be titled "Notice of Intent to Lease Urban Renewal Land" and will state that the City of Wichita intends to enter into a master lease agreement with WaterWalk LLC providing for the lease of certain parcels identified on the Revised WaterWalk Master Plan. The notice will describe the location of the property to be leased under the master lease agreement and will state that the draft master lease will be available for review during regular business hours in the Economic Development Office.

The cost of publishing the urban renewal notices will be charged to the WaterWalk capital project.

The Department of Law had provided guidance on the compliance with urban renewal laws and will approve the form of the notice prior to its publication.

Allen Bell

Director of Economic Development stated that it has come to his attention through research by the Law Department that the area was historically an urban renewal area and under urban renewal laws of the state a certain procedure needs to be followed before land can be sold or leased. That process includes first notifying the City Council of the intent to bring a lease for approval by the City Council and then the publication of a notice that the City Council will consider approving the lease. The notice to the City Council needs to be 30 days before the lease is approved, which means he will be back to the Council with the lease agreement for approval on December 21, 2004 and that the agenda reports reflect December 14th, which is an error. The notice will be published in the Wichita Eagle on consecutive weeks starting with next Friday.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion--

Brewer moved that Staff be authorized and directed to give public notice of the City's intent to lease land in the East Bank Redevelopment District to WaterWalk LLC and direct Staff to publish the notice in accordance with applicable urban renewal laws. Motion carried 5 to 2, (Nays-Martz and Lambke).

--carried

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 196

BOEING

ORDINANCE AUTHORIZING EXECUTION AND DELIVERY OF MASTER AMENDMENT TO LEASE AGREEMENTS, BOEING COMPANY IRB PROJECTS. (DISTRICT VI)

(Brewer & Mayans declared conflicts of interest and abstained from any discussion or voting.)

Gary Rebenstorf

Director of Law reviewed the Item.

Agenda Report No. 04-1145

The City has outstanding twenty-five series of Industrial Revenue Bonds issued between February 1980 and December 17, 2003, to finance facilities for the benefit of The Boeing Company ("Boeing"). Each series was issued as a stand-alone financing for a discrete project, under separate, project-specific Leases (the "Leases"). Now, Boeing seeks a Master Amendment to Lease Agreements, modifying each of the separate project Leases to specifically provide that Boeing may set off against its scheduled Lease payments the amount of any direct payment it has made on the related series of Bonds. Boeing is the holder of all the outstanding Bonds, and essentially "pays" itself directly when Bond payments are due. Boeing's accountants have opined that an express provision for setoff is technically required to allow Boeing to count these payments as satisfying its Lease obligations (which, on their face, call for Boeing to send payments to the Trustee so that the Trustee may send them to the Bondholder).

The form of the Master Amendment to Lease Agreements will add the express setoff provision requested by Boeing to each of the separate Leases, in their respective sections entitled, "Rents and Other Amounts Payable." The Bank of New York Trust Company, N.A., as Trustee for the affected industrial revenue bonds, will consent to the Master Amendment to Lease Agreements in its capacity as the Trustee and Assignee of the Leases, and Boeing will also consent to the amendment, in its capacities as Tenant and as holder of 100% of the Outstanding Bonds.

Costs arising in relation to the need for passage and publication of the amending Ordinance will be borne by the Tenant, and not by the City.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Lambke moved that the Ordinance authorizing the execution and delivery of the Master Amendment to Lease Agreements, be placed on first reading. Motion carried 5to 0; (Brewer and Mayans abstained)

ORDINANCE

An Ordinance approving and authorizing the execution of a master amendment to lease agreements between the Being Company and the City of Wichita, Kansas, introduced and under the rules laid over.

ECONOMIC DEV.

REVISED ECONOMIC DEVELOPMENT INCENTIVE POLICY.

Allen Bell

Director of Economic Development reviewed the Item.

(Council Member Schlapp momentarily absent).

Agenda Report No. 04-1146

One of the essential functions of city government is to foster economic growth in the community in order to provide adequate employment opportunities for its citizenry, to ensure a high quality of life and to generate sufficient fiscal resources to fund essential government services and infrastructure. Literally all city government activities impact economic development, ranging from regulatory functions, planning, public safety, utilities, public recreational and cultural amenities, all the way to infrastructure. Direct economic development activities of the City of Wichita include neighborhood revitalization, downtown redevelopment, workforce training and assistance, financial assistance to small businesses and economic incentives for business expansion, retention and recruitment. The effort to attract and retain businesses and create jobs in the Wichita area is led by the Greater Wichita Economic

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 197

Development Coalition (GWEDC). The City of Wichita has joined with Sedgwick County, the Chamber of Commerce, the Regional Economic Area Partnership (REAP) and 130 area businesses to create the GWEDC.

Economic development incentives are a crucial component of nearly all-successful attempts to attract and retain businesses. Labor costs and supply continues to be the top factor in deciding where to locate or relocate a business, but incentives have climbed high on the list in recent years. In Kansas, state law provides local governments with a number of economic development incentive programs to administer. These include property and sales tax abatements, property tax rebates, industrial revenue bonds and tax increment financing. In addition, state courts have upheld the rights of cities to use their home rule powers to appropriate public funds to directly assist private businesses for economic development purposes.

The Wichita City Council has adopted several policies over the years to guide the City's use of economic development incentives. The most often-used incentives for recruitment and retention of businesses are industrial revenue bonds and tax abatements. These incentives have been subject to separate policies, which have not been substantially revised in several years. At the request of the City Council, the GWEDC has undertaken a review of these policies and submits the Economic Development Incentives Policy for Council approval.

The GWEDC was supported by City, County, Chamber and REAP Staff and an outside consultant in formulating the Economic Development Incentives Policy. GWEDC is asking both The City of Wichita and Sedgwick County to adopt the same Policy. The guidelines in the Policy will be applied to all projects located in the City and in the unincorporated areas of Sedgwick County. GWEDC has indicated it will encourage other cities in Sedgwick County to adopt the same or similar policy.

Under the proposed Policy, all projects are to be subjected to analysis of both economic and fiscal impact prior to determining the level of incentives. GWEDC is working with WSU's Center for Economic Development and Business Research (CEDBR) to evaluate various standardized analytic models in use nationally for this purpose. The economic impact study will be used to initially evaluate the economic viability of the project, while the fiscal impact will measure the public costs vs. benefits resulting from use of incentives. The Policy calls for a minimum 1.3 to one ratio of benefits to costs to justify incentives.

Target Businesses

The Policy identifies the following business sectors and types of projects that will be eligible for economic development incentives:

- Manufacturing. Determined by appropriate NAICS codes.
- Service Sector. Majority of revenues must be derived from transactions originating outside the State of Kansas.
- Research and Development. The conducting of research, development or testing for scientific, medical, food product or industrial purposes.
- Warehousing and Distribution. Majority of goods stored/shipped must be destined for end-users located outside the Wichita MSA.
- Corporate Headquarters. May include "back office" operations and customer service activities, but shall not include out-bound call centers. Majority of revenues must be derived from transactions originating outside the Wichita MSA.
- Transportation. Freight or passenger transportation services. Majority of revenue must be derived from interstate commerce/travel.
- Commercial Redevelopment. Must address rejuvenation of officially designated urban redevelopment areas.
- Tourism. Attractions and events considered likely to attract at least 30% of attendees from outside the Wichita MSA.
- Affordable Housing. Incentives may include tax-exempt IRBs and sales tax exemption, but shall not include property tax abatement.
- Medical Services. Regional medical centers and specialty hospitals considered likely to attract at least 30% of patients from outside the Wichita MSA.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 198

Under this Policy, businesses that generate a majority of their sales from local consumers will not be eligible for economic development incentives unless they are in a commercial redevelopment project or are tourism, housing or medical service businesses. Also, in order to qualify for any economic development incentive, a business must pay average wages to its employees that are equal to or greater than the average wages for either that type of business or all businesses in the MSA excluding the aircraft industry, whichever is less. These restrictions do not apply to businesses receiving property tax rebates under the Neighborhood Revitalization Area Program.

The Policy gives guidelines for other considerations that are to be given to each project in determining whether and to what extent to provide economic development incentives. These provide a basis for customizing an incentive package to fit special circumstances based on specific characteristics of a project. The Policy calls for each project to be covered by a written economic development incentive agreement and that the agreement will provide the basis for monitoring and enforcing compliance with standard terms and conditions.

Incentives Matrices

The Economic Development Incentives Policy sets forth a matrix of property tax abatement levels that are suggested for different projects, based on specific attributes of job creation and capital investment. For the purpose of determining the percentage of tax abatement based on jobs, the number of jobs being created is to be adjusted up or down based on the relationship between the business' wages and the average wages for all jobs in the Wichita MSA. If wages are higher than average, the number of jobs will be adjusted upward for the purpose of determining the appropriate incentive level, and vice versa.

The matrix is formula-driven and it can be found in tabular form as an appendix to the Policy. For both employment and investment criteria, there is a sliding scale so that even very small-sized projects can qualify for a significant incentive level when jobs and investment are considered together. For example, a business creating five jobs and investing \$500,000 in new plant and machinery can receive a 15% tax abatement for job creation and 10% for investment. If the business is located in the older part of Wichita, it can receive an additional 20%, for a total tax abatement of 45%. Very large projects can qualify for a 100% abatement on the basis of either employment or investment alone. Aircraft companies typically cannot commit to job creation due to the highly cyclical nature of the business; however they often make investments in new plant and equipment in excess of \$30 million. Either job creation of 100 new jobs or investment of \$33.5 million will qualify a business for 100% tax abatement.

The Economic Development Incentives Policy represents a new approach compared to the existing policies, which are quite lengthy documents written in the format of a resolution and contain minute detailed instructions on procedures for submittal and approval of incentives. The proposed format is considered more user friendly by businesses and economic developers. The detailed procedures and terms and conditions will be included as appendices to the policy, along with the form of a standard incentive agreement, various forms and a list of definitions of specialized terminology.

There is no immediate fiscal impact of this new Economic Development Incentives Policy on the City of Wichita. Each incentive project will be presented to the City Council for approval and the fiscal impact will be identified for each project at that time.

The Law Department will review and approve as to form the procedural appendices, list of standard terms and conditions and form of standard incentive agreement prior to their approval by the City Council.

Dave Wood

Vice-President of Wichita Area Chamber of Commerce and Chief of Staff for the Greater Wichita Economic Development Coalition (GWEDC) reported that in August the GWEDC partners and respective Staff convened a full day workshop to lay the groundwork for a new incentive policy for Wichita and Sedgwick County. The goal was to develop a consistent, uniformed and competitive policy governing the use of incentives in support of economic development countywide. The policy before the Council today represents the end product from those efforts. This policy is clear regarding the types of eligible businesses for incentives, those that bring new dollars in from outside the community. It is responsible, utilizing economic and fiscal impact analysis to guide decision-making and in addition to jobs, it also recognizes wages favoring those projects that increase employee earnings

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 199

across all categories of eligible businesses. In October the GWEDC Steering Council endorsed this policy for recommendation to the governing bodies and hope that it is approved today.

Council Member Lambke Council Member Lambke commended Allen Bell on suggesting to extend the time period where properties have been vacant from six months to three years. Stated that he feels that it is a mistake to grant the tax abatement on existing property and if you go to a three-year period, it makes it a lot better. Asked if it can be written in the revision.

Allen Bell Director of Economic Development stated that if Council Member Lambke would include this in the motion that he would find the right place to insert it, which would probably be under the additional considerations section that would address this issue.

Mayor Mayans Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion-- Lambke moved that the proposed Economic Development Incentives Policy be approved with the provision that property unused and vacant for three years will be eligible for tax exemptions but those properties that meet the three years will not. Motion carried 7 to 0.
--carried

CAP CARPET, INC. PUBLIC HEARING AND REQUEST FOR LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS, CAP CARPET, INC. (DISTRICT V)

Allen Bell Director of Economic Development reviewed the Item.

Agenda Report No. 04-1147

Ridge Plaza Ventures, L.L.C. (Ridge Plaza) is requesting the issuance of a one-year letter of intent for Industrial Revenue Bonds (IRBs) in an amount not to exceed \$4,000,000. Bond proceeds will be used to finance the cost of acquiring, constructing and equipping a new corporate headquarters building and distribution center to be leased to Ridge Plaza Ventures, L.L.C. Ridge Plaza is also requesting the City Council's approval of a 100% five-year tax exemption on bond-financed property and a second five-year exemption upon City Council approval. The new facility will be located in the area of west Taft near Kellogg & Ridge Road in southwest Wichita. Ridge Plaza will sublease the project to CAP Carpet, Inc.

Plaza is a related real estate holding company of CAP Carpet. CAP Carpet is a leading world wide supplier of carpet, fabric, leather and utility flooring to the aircraft industry. CAP Carpet also markets product both on a wholesale and retail basis through various locations in the Upper Midwest. CAP Carpet's headquarters is located in Wichita and the Company has been in business since 1968. CAP Carpet originally started out as a retail enterprise, but in the past ten years has been expanding its wholesale flooring business with sites opened in Urbandale, IA, LaVista, NE, and Lee's Summit, MO. CAP Carpet imports products from Europe and Asia to its Wichita warehouses as well as making stock purchases for distribution to its various sites. The Aircraft Interior Products division with CAP Carpet is a supplier to local aircraft companies. The Company also ships product throughout the U.S. CAP Carpet also has commercial sites in Wichita and Topeka. It has five retail/outlet sites in Wichita and Topeka while marketing under the names of Carpet One, Stone Mountain and Big Bob's. The Company is affiliated with a co-op group named Carpet Cooperative of America (CCA Global), which provides consolidated purchasing, marketing and administrative support.

CAP Carpet proposes to build a new 52,135 s.f. distribution center and corporate headquarters to be located in the area of west Taft near Kellogg & Ridge Road in southwest Wichita. CAP Carpet currently employs 50 people and plans to add 37 new jobs over a five-year period, at an average wage of \$42,066 per year.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 200

An analysis of the uses of project funds is:

Acquisition of Land	\$ 400,000
Building and Site Improvements	3,000,000
Furniture, Fixtures and Equipment	500,000
Costs of Issuance	25,000
Miscellaneous	<u>75,000</u>
Total Cost of Project:	\$4,000,000

The firm Hinkle Elkouri L.L.C. will serve as bond counsel in the transaction. The Company plans to privately place the bonds with a financial institution with which it has an established banking relationship. The Company agrees to comply with the City's requirements contained in the Standard Letter of Intent Conditions. The cost/benefit analysis based on the fiscal and economic impact model of the Wichita State University's Center for Economic Development and Business Research reflects cost/benefit ratios as follows:

City	1.60 to one
County	2.55 to one
USD 259	1.63 to one
State	9.75 to one

The Company agrees to pay all costs of issuing the bonds and the City's \$2,500 annual IRB administrative fee for the term of the bonds. Under the City's new Business Incentive Policy, the Company qualifies for a 90% five-plus-five-year tax exemption on property purchased with bond proceeds, based on job creation and capital investment.

The estimated first year's taxes on Ridge Plaza's proposed \$4,000,000 expansion would be \$76,700, on real property improvements and \$10,955 on personal property, based on the 2003 mill levy. Using the allowable tax exemption of 90 percent, the City would be exempting (for the first year) \$87,655 of new taxes from the real and personal property tax rolls. The tax exemption would be shared among the taxing entities as follows: City - \$24,612; County/State - \$23,387; and USD 259 - \$39,656.

In addition, the project will qualify for a sales tax exemption on bond-financed purchases. The estimated amount of exempted sales taxes are \$97,000, including \$82,000 state sales tax and \$15,000 county sales tax.

Bond documents needed for the issuance of bonds will be prepared by bond counsel. The City Attorney's Office will review and approve the form of bond documents prior to the issuance of any bonds.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion--

Martz moved that the public hearing be closed; a Letter of Intent to Ridge Plaza Ventures, L.L.C. Inc. for Industrial Revenue Bonds in an amount not-to-exceed \$4,000,000, subject to the Standard Letter of Intent Conditions, for a term of one-year be approved and a 90% tax abatement on all bond-financed property exempt land for an initial five-year period plus an additional five years following City Council review and authorize the application *for sales tax exemption* on financed property and the necessary signatures authorized. Motion carried 7 to 0.

--carried

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 201

COLEMAN CO., INC. PUBLIC HEARING AND REQUEST FOR LETTER OF INTENT FOR INDUSTRIAL REVENUE BONDS, THE COLEMAN COMPANY, INC. (DISTRICT I)

Allen Bell

Director of Economic Development reviewed the item.

Agenda Report No. 04-1148

Between 1993 and 2002, the City Council has approved Letters of Intent to issue Industrial Revenue Bonds (IRBs) up to \$135 million to the Coleman Company, Inc. and has approved the issuance of \$121.8 million. Bonds were issued to finance the construction of a new corporate headquarters, the expansion of existing manufacturing facilities and the purchase of additional machinery and equipment for its manufacturing facilities in Wichita and Maize. In addition, the City Council also approved a 100% five-plus-five-year ad valorem tax exemption on all bond-financed property.

On November 19, 2002, City Council approved a new Letter of Intent for a two-year term, which will expire on November 19, 2004. The company request for an extension to December 31, 2004, to expend the remaining balance of \$6 million to finance 2004 capital expenditures at its Wichita facility. The Coleman Company is also asking the City to issue a new Letter of Intent for a term ending December 31, 2007, in an amount not-to-exceed \$35,000,000. Additionally, the company request a 100% tax exemption on all bond-financed property for a five-year term, plus a second five years subject to City Council review.

In addition, pursuant to an existing Interlocal Cooperation Agreement between the City of Maize and the City of Wichita, the City of Wichita has the authority to issue Industrial Revenue Bonds in the amount not-to-exceed \$7.1 million to finance 2004 capital expenditures at Coleman's facility in Maize.

The bond proceeds will be used for the redesign of factory space and for the purchase of additional manufacturing equipment, primarily machinery, tooling and technological equipment at the existing Wichita and Maize facilities. The Coleman Company, Inc. is engaged in the manufacturing and distribution of outdoor recreational products. The Company's principal products include a comprehensive line of pressurized lighting, cooling and heating appliances for camping and outdoor recreational use (such as Coleman lanterns and stoves), fuel-related products, including disposable propane-filled cylinders, a broad range of insulated food and beverage containers, portable electric lights, and other products for recreational use and do-it-yourself markets.

In early 2002, the Coleman Company began a series of steps to reestablish its worldwide headquarters in Wichita. The Wichita-based management team assumed direction of international operations in January 2002. Transition of corporate functions from Sunbeam's Florida office to Coleman's Wichita office is underway and will continue over the next few years. The Coleman Company employs 974 people at its Wichita facilities. The average salary for full time employees is \$44,880. Under current plans, the Company does not anticipate increases in employment

The uses of bond proceeds are as follows:

Wichita Facilities	
Building Improvements	\$ 3,500,000
Manufacturing Equipment	<u>31,500,000</u>
Total	\$ 35,000,000

Maize Facility	
Manufacturing Equipment	<u>\$ 7,151,000</u>
Total	\$ 7,151,000

Total Cost of Projects	\$42,151,000
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The City's bond counsel firm Hinkle Elkouri Law Firm, L.L.C. will serve as bond counsel in the IRB transaction. The Coleman Company will purchase the bonds, and as a result the bonds will not be offered to the public. The Coleman Company agrees to comply with the Standard Conditions contained

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 202

in the City's IRB Policy. The cost/benefit analysis based on the fiscal and economic impact model of the Wichita State University's Center for Economic Development and Business Research reflects cost/benefit ratios as follows:

City	1.02 to one
County	1.14 to one
USD 259	1.00 to one
State	3.34 to one

The Coleman Company, Inc. agrees to pay all costs of issuing the bonds and agrees to pay the City's \$2,500 annual IRB administrative fee for the term of the bonds. Under the City's new Economic Development Incentive Policy, the Company qualifies for a 100% five-plus-five-year tax exemption on property purchased with bond proceeds, based solely on capital investment.

Bond documents have been prepared by Hinkle Elkouri, L.L.C., bond counsel for the project. The City Attorney's Office will review and approve the final form of bond documents prior to the issuance of any bonds.

- Mayor Mayans Mayor Mayans stated that there will be those that will ask the question whether the basic premise of an economic development incentive is to create more jobs. Stated that this is an issue where there will be no job creation, so how are we to explain that.
- Allen Bell Director of Economic Development explained that he believes that job creation is certainly an important goal but it is not the only goal of economic development. The diversification of the economy to relief us of the economic pressures that we have felt over the last several years by having a more diverse economy is just as important. Stated that the world economy is changing rapidly and the pressures on companies to compete globally are such that we cannot always expect them to be creating new jobs even though they may be expanding their activities, increasing their sales, diversifying their product base, it may not because of the emphasis greater productivity and that it is important that we cover all the basis in our economic development programs and policies and help keep those existing businesses that we have and keep them strong even when they are not in the position to increase their employment.
- Mayor Mayans Mayor Mayans inquired whether anyone wished to be heard and no one appeared.
- Motion-- Brewer moved that the public hearing be closed; the extension of the 2002 Letter of Intent to the Coleman Company, Inc. and a new Letter of Intent for the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$35,000,000 million for a term ending December 31, 2007 be approved and that a 100% tax exemption on all bond-financed property for a five-year term, plus a second five years subject to City Council review, and subject to Standard Letter of Intent conditions **and sales tax** be granted.
- carried Motion carried 7 to 0.

INVISTA

APPROVAL OF INVISTA ECONOMIC DEVELOPMENT INCENTIVE. (DISTRICT I)

Allen Bell Director of Economic Development reviewed the Item.

Agenda Report No. 04-1149

(Council Member Martz momentarily absent).

In January 2004, Lieutenant Governor John Moore was contacted by representatives of Koch Industries with the news that Koch was nearing an agreement to purchase a major division of Dupont, called Dupont Textiles and Interiors. Lt. Gov. Moore contacted City and County officials who formed a task force to develop a proposal that would convince Koch to relocate the corporate headquarters of the new company to Wichita. A joint proposal was made to the company in February 2004, with the City and County portion being subject to ultimate approval by their respective governing boards. In April 2004, Koch concluded the purchase, renamed the new company Invista and announced that its headquarters would be located in Wichita. The Company has accepted the offer of incentives made by the City, County and State.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 203

The new INVISTA is a global integrated fiber and intermediates business with a presence in 50 countries. It is comprised of six divisions: Apparel; Performance Fibers; Interiors; Intermediates; Polymer and Resins; and Textile Fibers. Invista products are marketed worldwide under well-known names such as LYCRA®, STAINMASTER®, ANTRON®, POLARGUARD®, COOLMAX®, THERMOLITE®, AVORA®FR, CORDURA®, SUPPLEX®, TACTEL®, ESP® and TEFLON®. Headquarters of the Invista divisions are in Wilmington, DE, Atlanta GA and Charlotte NC. Each of these communities were considered as possible locations for the corporate headquarters of Invista. Instead, the decision was made to locate the headquarters in the Invista Building on the Koch Industries campus on East 37th Street North, in north Wichita. Invista will spend up to \$6 million on the remodeling of the building and relocation of its headquarters to Wichita.

In order to attract the Invista headquarters to Wichita, the City, County and State offered a variety of financial incentives. The State of Kansas incentive package includes cash, training funds and tax credits totaling nearly \$2.5 million. The City and County's offers are both cash incentives in the form of forgivable loans, and are subject to approval of the forgivable loan agreements by the respective governing boards. The Sedgwick County offer is for \$1,285,000 and the City of Wichita offer is for \$740,000.

In addition to the aforementioned financial incentives, the City and County worked with other community partners to offer other incentives. The Wichita Area Chamber of Commerce put together a "community concierge" program to assist new employees from outside the area in dealing with the exigencies of relocating their families and households. Wichita State University offered a variety of educational benefits to Invista employees moving to Wichita from outside the state. Sedgwick County offered complimentary six-month memberships to Cowtown and the Sedgwick County Zoo for new employees from outside the area. And the City offered the services of its Development Assistance Office to expedite the permitting and inspection for remodeling work at the new Invista headquarters building.

Invista will ramp up its employment at its Wichita headquarters to 206 employees within a five-year period. Wages of the new employees will average over \$100,000 per year. Many of the new Invista employees will move to Wichita from outside the State of Kansas and many positions will be filled locally. Several key positions at the Invista headquarters have been filled by former Koch employees. Positions that were vacated at Koch by the hiring at Invista have either been filled or are being held open until they are filled. Overall, employment at Koch's Wichita headquarters has increased since the acquisition of Invista was announced.

The City and County have negotiated the terms of the forgivable loans, based on a standard form used by the State of Kansas in its KEOIF forgivable loan program. A forgivable loan converts to a grant over a specified period of time, as specified conditions are met. The Invista forgivable loan will be converted to a grant over a five-year period, based on Invista meeting its employment and wage goals of 206 employees at an average wage of \$105,031 per year.

Each year, the outstanding balance of the loan will be forgiven in one-fifth installments if that year's job and wage commitments are met, and carried forward if not. At the end of five years, the remaining balance of the loan will be forgiven if the full job and wage commitment has been reached. If not, the outstanding balance will be due and payable at that time. In addition, if Invista moves its corporate headquarters from Wichita during the term of the agreement, the entire amount of the loan will be due and payable, including accrued interest at eight percent.

The City's forgivable loan will be funded from the appropriated general fund reserve. There is no request for Industrial Revenue Bonds or property tax abatement. Sales tax exemption is included in the State incentive package.

Phillip Ellinder

Vice-President for external affairs for Invista, shared a short presentation with the Council regarding their company.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 204

Motion--
--carried

Brewer moved that the forgivable loan to Invista in the amount of \$740,000 be approved and the Mayor authorized to execute the loan agreement. Motion carried 7 to 0.

GO BONDS

CURRENT REFUNDING OF GENERAL OBLIGATION BONDS, SERIES 2004B & 2004C ADVANCED REFUNDING OF GENERAL OBLIGATION BONDS, SERIES 2004D.

Kelly Carpenter

Interim Finance Director reviewed the Item.

Agenda Report No. 04-1150

On November 2, 2004, the City Council designated AG Edwards to serve as lead underwriter in a negotiated offering of General Obligation Bonds. Since that date, Staff has worked to distribute the Preliminary Official Statement and negotiate the details of the sale with the designated lead underwriter.

The plan of financing for the negotiated issue includes the marketing of the 2004B, 2004C and 2004D General Obligation Refunding Bonds. AG Edwards is acting as the lead underwriter for the bonds that has a current principal amount of \$71,980,000. The marketing of the bonds occurred in St. Louis with AG Edwards taking orders for bonds from syndicate members and other brokerage houses with offices in Wichita.

The present value savings of approximately \$3.4 million is equal to 5.8%, 3.7% and 4.0% of the par amount of the bonds being refunded for the Series 2004B, 2004C and 2004D respectively. Generally accepted standards for determining the appropriate level of savings in a bond refunding suggest a minimum 3% as the threshold. The proposed refunding far exceeds the minimum threshold for each Series.

Bond Counsel has drafted the bond ordinance and resolution needed to execute the issuance of the bonds and has also drawn up the bond purchase agreements for the sale of the bonds to the underwriters as well as the official statement.

Mayor Mayans

Mayor Mayans inquired whether anyone wished to be heard and no one appeared.

Motion--
--carried

Mayans moved that the Bond Purchase Agreement be approved; the Bond Ordinance and Resolution adopted and the Mayor be authorized to execute the Request for Declaration of Emergency. Motion carried 7 to 0.

RESOLUTION NO. 04-615

A Resolution of the City of Wichita, Kansas, providing for the issuance of the City's General Obligation Refunding Bonds, Series 2004B, in the aggregate principal amount of \$18,180,000, General Obligation Refunding Bonds, Series 2004C in the aggregate principal amount of \$12,070,000 and General Obligation Refunding Bonds, Series 2004D in the aggregate principal amount of \$41,730,000, for the purpose of providing for the refunding of certain outstanding General Obligation Bonds of the City; prescribing the terms and details of the bonds; and authorizing certain other documents and actions and making certain other covenants and agreements in connection therewith, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 205

ORDINANCE NO.46-406

An Ordinance of the City of Wichita, Kansas, providing for the issuance of the City's General Obligation Refunding Bonds, Series 2004B, in the aggregate principal amount of \$18,180,000, General Obligation Refunding Bonds, Series 2004C in the aggregate principal amount of \$12,070,000 and General Obligation Refunding Bonds, Series 2004D in the aggregate principal amount of \$41,730,000, for the purpose of providing for the refunding of certain outstanding General Obligation Bonds of the City; providing for the levy and collection of an annual tax for the purpose of providing for the payment of the principal of and the interest on the Refunding Bonds as it becomes due and payable; and making certain other covenants and agreements with respect to the bonds. Mayans moved that the Ordinance be placed on its passage and adopted on the date of its introduction, all in accordance with K.S.A. 12-3001. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

ARTS

FUNDING SUPPORT FOR THE ARTS.

(This Item was pulled from the Agenda.)

PLANNING AGENDA

Motion--
-- carried

Mayans moved that the Planning Agenda, except Item 25, be approved as presented. Motion carried 7 to 0.

(Agenda Item #25)
ZON2004-00031

ZON2004-00031-ZONE CHANGE FROM SINGLE-FAMILY RESIDENTIAL TO TWO-FAMILY RESIDENTIAL. GENERALLY LOCATED APPROXIMATELY MIDWAY BETWEEN GREENWICH ROAD AND 127TH STREET EAST, NORTH OF DOUGLAS AVENUE. (DISTRICT II)

John Schlegel

Planning Director reviewed the Item.

Agenda Report No. 04-1152

MAPC Recommendations: Approve (12-0-1)
MAPD Staff Recommendations: Approve
DAB II Recommendations: Approve (7-2)

The applicants request a zone change from "SF-5" Single-Family Residential to "TF-3" Two-Family Residential on Lots 5 – 9, of the Garden Meadows Addition. Lots 1 – 4 of the Garden Meadows Addition will remain zoned "SF-5". The subject site is located north of Douglas and east of Jackson Heights Street, midway between 127th Street East and Greenwich Avenue. The applicant proposes to develop the site with duplexes on the five eastern lots, which are at the end of the Jackson Heights Court cul-de-sac.

The immediate area is characterized by large lot/tract single-family residential development with "SF-5" zoning on the north side of Douglas Avenue. The size of these lots/tracts range from 0.25–acres to over 4-acres with the houses on them having been built anywhere from the 1920s to 1980, with the majority having been built during the 1940s and 1950s. Materials used on the houses vary from brick, to brick and wood or composite siding, to wood or composite siding. Some of the larger lots, with houses on them, also have outbuildings on them allowing these property owner's to keep their horses on their properties. The area also features lots of mature trees, landscaping and some mixed tree hedges. South of Douglas Avenue there is undeveloped, woody "SF-20" zoning, in a small isolated part of Sedgwick County, and a large manufactured housing park. The subject site/Garden Meadows Addition is on Jackson Heights Court, an asphalt paved, roll over curb, cul-de-sac. There is one single-family residence, built on two of the lots, in the addition. The five subject lots' size ranges from approximately 0.33-acres to 0.50-acres.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 206

The Land Use Guide of the Comprehensive Plan identifies this area as appropriate for “Low Density Residential” development. The “Low Density Residential” category provides for the lowest density (1 to 6 units per acre) of urban residential land use and consists of single-family detached homes, zero lot line units, cluster subdivisions, and planned developments with a mix of housing types that may include townhouse and multi-family units. The density of the proposed “TF-3” zoning matches the development density in a “Low Density Residential” area rather than a “Medium Density Residential” development density, which the “TF-3” zoning district is considered. The development of 5 duplexes as proposed (approximately 6 to 4 units per acre) is within the appropriate density range (1 to 6 units per acre) for the “SF-5” zoning district.

The MAPC considered this case at their June 24, 2004 meeting and recommended approval (12-0-1) of the zoning change to “TF-3” two-family residential, as recommended by Staff. Several persons spoke in opposition to the requested zoning change at the meeting. DAB II considered this case, at their July 12, 2004 meeting and recommended (unanimously) that the case be deferred pending discussions between the applicant and area residents, in an attempt to achieve consensus on the zoning request. Several persons spoke in opposition to the requested zoning change at the meeting. DAB II reconsidered this case, again, at their October 18, 2004 meeting and recommended (7-2) that the zone change of “SF-5” to “TF-3” be approved. Several persons spoke in opposition to the requested zoning change at the meeting. Staff has received written protest against the requested zoning change that represent 52.44% of the land area. When landowners representing over 20% of the land area protest a zoning change, the zone change cannot be approved except by at least a three – quarter majority vote of all members of the governing body. In Wichita this calculation is based on a distance of a 200-foot radius from the outer boundaries of the application area.

Motion--
--carried

Schlapp moved to Concur with the findings of the MAPC and approve the zone change and place the Ordinance establishing the zone change on the first reading. Motion carried 7 to 0.

ORDINANCE

An Ordinance changing the zoning classifications or districts of certain lands located in the City of Wichita, Kansas, under the authority granted by the Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by City of Wichita Code Section 28.04.210. ZON 2004-31

KDMM ADDITION

SUB2004-94-PLAT OF KDMM ADDITION, LOCATED ON THE NORTH SIDE OF 53RD STREET NORTH AND EAST OF TYLER ROAD.

Agenda Report No. 04-1153

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (9-0)

This unplatted site, consisting of one lot on 4.93 acres, is located in the County within three miles of Wichita’s city limits. The site has been approved by the Sedgwick County Commissioners for a zone change (ZON 2004-11) from RR, Rural Residential District to NO, Neighborhood Office District.

Since neither sanitary sewer nor municipal water is available to serve this property, the County Code Enforcement Office has approved on-site sewerage and water wells.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within 30 days.

Motion--
--carried

Mayans moved that the plat be approved and the necessary signatures authorized. Motion carried 7 to 0.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 207

ZON2001-00053

ZON2001-00053-EXTENSION OF TIME TO COMPLETE THE PLATTING REQUIREMENT FOR A ZONE CHANGE FROM SINGLE-FAMILY RESIDENTIAL TO LIMITED INDUSTRIAL WITH RESTRICTIVE COVENANT TO LIMIT USES AND MODIFY DEVELOPMENT STANDARDS. GENERALLY LOCATED SOUTH OF 45TH STREET NORTH AND WEST OF WEBB ROAD, 4211 NORTH. WEBB ROAD. (DISTRICT II)

Agenda Report No. 04-1154

Staff Recommendation: Approve one-year extension of time to complete platting.

On October 2, 2001, the City Council approved a zone change request from "SF-5" Single-Family Residential to "LI" Limited Industrial with a restrictive covenant to limit uses and modify development standards on property generally located south of 45th Street North and west of Webb Road at 4211 N. Webb Road. Approval of the request was subject to the condition of platting the property within one year. An application to plat the property was approved by the MAPC on March 21, 2002. Two one-year extensions of time to complete platting subsequently have been granted. The extended platting deadline was October 2, 2004; however, the applicant indicates that the additional time is needed to finalize several conditions. Therefore, the applicant has requested an additional one-year extension of time to complete platting. Such an extension of time to complete platting requires City Council approval.

Staff recommends that an extension of time to complete platting requirements be granted to October 2, 2005. The City Council may deny the request for an extension of time to complete platting. Denying the extension would declare the zone change null and void and would require reapplication and rehearing if the property owner still desired a zone change.

No legal documents are required to enact the granting of platting extension. The granting of a platting extension is indicated via letter to the applicant noting the extended platting deadline as granted by the City Council.

Motion--
--carried

Mayans moved that the extension of time to complete platting to October 2, 2005 be approved. Motion carried 7 to 0.

AIRPORT AGENDA

Motion--carried

Mayans moved to approve the Airport Items as presented. Motion carried 7 to 0.

BEVAN-RABELL

SUPPLEMENTAL AGREEMENT NO. 3-BEVAN-RABELL.

Agenda Report NO. 04-1155

Bevan-Rabell (originally Bevan Radio) has occupied Hangar 3, located at 1880 Airport Road on Wichita Mid-Continent Airport, since 1966. The facility encompasses 24,390 sq. ft., which includes 4,390 sq. ft. of office space and 20,000 sq. ft. of hangar space. Total land area, including the facility and ramp area, is 129,816 sq. ft.

Bevan-Rabell is desirous of extending the lease agreement for an additional five years through May 31, 2009.

This facility was appraised by Steve Martens of the Martens Companies, and a fair market rental value of \$60,975 for the first year of the extension is recommended. Of this annual amount, facility rent of \$29,582 will remain the same over the five-year period; however, land rent will increase five percent each year, according to WAA policy. Revenue to the WAA over the five-year period will be \$321,340. Staff concurs with Mr. Martens' recommendation.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 208

Motion--
--carried

Mayans moved that the Supplemental Agreement No. 3 be approved and the necessary signatures authorized. Motion carried 7 to 0.

TENANT IMPROV.

TENANT IMPROVEMENTS WICHITA MID-CONTINENT AIRPORT.

Agenda Report No. 04-1156

The 2004 Capital Improvements Program (CIP) provides for tenant improvements.

Yingling Aviation is expanding its operations on Mid-Continent Airport. The Airport will be responsible for site preparations and improvements that include relocating and upgrading utilities, and paving improvements for a security gate entrance.

The project is estimated to cost \$195,000 and will be funded with General Obligation Bonds paid for with airport revenue.

Motion--
--carried

Mayans moved that the project be approved; the resolution adopted; the capital budget approved and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. A-04-008

A Resolution declaring that a public necessity exists for, and that the public safety, service and welfare will be advanced by, the authorization of certain capital improvements to the Wichita Mid-Continent airport Facility; and setting forth the nature of said improvements; the estimated costs thereof; and the manner of payment of same, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

TENANT FACILITY

TENANT FACILITY IMPROVEMENTS WICHITA MID-CONTINENT AIRPORT.

Agenda Report No. 04-1157

The Federal Aviation Administration (FAA) currently leases facilities located at 1761 and 1801 Airport Road on Wichita Mid-Continent Airport. The FAA is desirous of making improvements, including expansion to the parking lots at each of these facilities. If approved, the project will be included in the 2005-2014 Capital Improvements Program (CIP).

The FAA has studied its current needs and wishes to implement the improvements to each of these facilities.

The project cost of \$1,240,000 will be funded with General Obligation Bonds paid for with airport revenue.

Motion--
--carried

Mayans moved that the project be approved; the resolution adopted and the necessary signatures authorized. Motion carried 7 to 0.

RESOLUTION NO. A-04-009

A Resolution declaring that a public necessity exists for, and that the public safety, service and welfare will be advanced by, the authorization of certain capital improvements to the Wichita Mid-Continent airport Facility; and setting forth the nature of said improvements; the estimated costs thereof; and the manner of payment of same, presented. Mayans moved that the Resolution be adopted. Motion carried 7 to 0. Yeas: Brewer, Fearey, Gray, Lambke, Martz, Schlapp, Mayans.

CITY COUNCIL PROCEEDINGS

JOURNAL 182

NOVEMBER 16, 2004

PAGE 209

EMU EXPRESS

SUPPLEMENTAL AGREEMENTS-EMU EXPRESS AND EXECUTIVE LIMOUSINE.

Agenda Report No 04-1158

A small ticket counter area exists near the baggage claim area in the terminal building, which is divided into four, five-foot across ticket counter spaces. Four companies that provide ground transportation services occupy the area: EMU Express, Executive Limousine, Enterprise Rent-A-Car, and Thrifty Car Rental. The Wichita Airport Authority currently has month-to-month agreements with EMU Express and Executive Limousine to provide shuttle, limousine and town car services for travelers using Wichita Mid-Continent Airport. The agreements with Enterprise and Thrifty allow these companies to provide vehicles for rent through November 30, 2004, which coincides with the termination date of all on-airport rental car agreements.

EMU and Executive began leasing ticket counter space May 1, 2000. Enterprise and Thrifty began leasing the space April 15, 2003, when they became on-airport operators. While EMU and Executive utilized the space intermittently when they first entered into the agreement four years ago, they rarely do so now. Enterprise and Thrifty staff the counters seven days a week, with Thrifty opening at 6:30 a.m. and Enterprise opening at 7:00 a.m., and both closing at 10:00 p.m. As Enterprise and Thrifty's services have expanded, the terminal area in front of their respective ticket counters has become more congested as a result of the lines extending further into the area that is traversed by individuals desiring to pick up their luggage. In the interest of alleviating this problem, it is the Staff recommendation to issue a 30-day notice to EMU and Executive to remove the leased space from their agreements, and to transfer the space to Enterprise and Thrifty. Removal of this space will not prohibit EMU or Executive from continuing to serve the airport through their airport shuttle and limousine agreement; it will merely make better utilization of space to enhance customer service.

There will be a minor increase in revenue in that EMU and Executive pay a flat fee for use of the space, and Enterprise and Thrifty will pay a per square foot charge, which will be adjusted annually.

Motion--
--carried

Mayans moved that the Supplemental Agreements be approved and the necessary signatures authorized. Motion carried 7 to 0.

CITY COUNCIL

BOARD APPTS.

BOARD APPOINTMENTS.

There were no appointments made.

RECESS

Motion--

Mayans moved that the Council recess into Executive Session at 11:40 a.m. to consider: consultation with legal counsel on matters privileged in the Attorney-Client relationship relating to: potential litigation and legal advice and that the Council return from Executive Session no earlier than 12:00 p.m. and reconvene in the first floor boardroom. Motion carried 7 to 0.

--carried

RECONVENE

The Council reconvened at 12:00 pm. in the first floor boardroom. Mayor Mayans announced that no action was taken.

Motion--carried

Mayans moved at 12:01 p.m. to adjourn the Executive Session. Motion carried 7 to 0.

Motion--carried

Mayans moved at 12:01 p.m. to adjourn the Regular Meeting. Motion carried 7 to 0.

Adjournment

The City Council meeting adjourned at 12:02 p.m.

Karen Sublett
City Clerk

Workshop to follow